

# IRISH LAND PURCHASE FUND

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## ACCOUNTS, 1913-1914

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ACCOUNTS of RECEIPTS and PAYMENTS by the COMMISSIONERS for the REDUCTION of the NATIONAL DEBT in respect of the CAPITAL and INCOME of the IRISH LAND PURCHASE FUND, in the Year ended 31st March 1914, together with the REPORT of the COMPTROLLER and AUDITOR-GENERAL thereon.

*(Presented pursuant to Act 3 Edw. 7, c. 37 s. 33.)*

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*Ordered, by The House of Commons, to be Printed,  
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## IRISH LAND PURCHASE FUND.

### EXPLANATORY NOTE.

The Irish Land Purchase Fund is a special fund placed under the control of the Development Commissioners for the purposes of the Irish Land Act, 1903. This Act provided for advances for land purchase being made in cash, raised by the issue of Guaranteed 2½ per Cent. Stock, but the Irish Land Act, 1909, extended the means of raising cash by providing for the issue of Guaranteed 3 per Cent. Stock and, in addition, provided that advances may be made, in whole or in part, in stock. As the Irish Land Purchase Fund possesses somewhat peculiar features, a short explanation of some of them may be desirable.

The short means of raising money for the purposes of the Irish Land Act, 1903, is by the issue of Guaranteed Stock bearing interest at 2½ or 3 per cent. per annum. This stock is issued for two distinct objects, viz.—

- |   |  |
|---|--|
| (a) For advances, and to provide cash for advances        | { 1903 Act, Section 28.<br>1909 Act, Sections 2 and 3. |
| (b) To provide cash for the payment of a bonus to vendors | { 1903 Act, Section 47.<br>1909 Act, Sections 2 and 6. |

Stock can also be obtained—

- |  |   |
|--|---|
| (c) By temporary borrowing                         | { 1903 Act, Section 30.<br>1909 Act, Section 5. |
| (d) By using the sinking fund for further advances | 1903 Act, Section 35.                           |

Provision is made in the 1903 Act (Section 36) for the two cases of stock being issued at a discount and at a premium. The issues already made have been at a considerable discount, and a further reference to the case of an issue at a premium does not appear to be necessary at present.)

(a) The amount of Guaranteed 2½ per Cent. Stock and Guaranteed 3 per Cent. Stock issued for the purpose of raising money for advances, and of Guaranteed 2½ per Cent. Stock issued for advances, is divided into two parts. In the first place, stock of equal nominal amount to the net cash realised by an issue of stock, or, in the case of an advance in Guaranteed 2½ per Cent. Stock, the cash value at the price of issue, is assigned to the advances account, as the liability for which the cash advanced for land purchase is to provide (1903 Act, Section 36); and the remaining part of the issue together with any deficiency of interest arising by reason of money being raised by means of 3 per Cent. Stock, is set up as a liability for which an annuity chargeable on the Development Grant portion of the Guarantee Fund, and, so far as that is insufficient, on moneys provided by Parliament, is the corresponding asset (1909 Act, Section 7).

(b) The stock issued for the purpose of realising money for payment of the bonus is a liability for which Parliament votes both the interest and sinking fund (1903 Act, Section 47).

While, therefore, the issue of the stock is for two objects, the provision for the payment of the dividends and sinking fund in respect of the same comes from three different sources.

It will be seen that the Irish Land Purchase Fund practically comprises three distinct accounts:—

Account I—Called "Advances Account," in which the capital raised has a corresponding asset in the annuities payable by borrowers, with the Guarantee Fund as security for their due payment.

Account II—Called "Excess Stock Account," in which the liability comprises the additional amount of stock issued to raise cash for advances, (or the additional amount of stock issued for the purpose of advances by means of stock) in consequence of issues being made at a discount, the corresponding asset being an annuity chargeable on the Ireland Development Grant portion of the Guarantee Fund, and, so far as that is insufficient, on moneys provided by Parliament.

Account III—Called "Land Purchase Aid Fund," in which the stock issued to provide the bonus is met by an annuity chargeable on Votes of Parliament.

The annuities payable in each case provide for interest on the capital together with an addition of  $\frac{1}{2}$  per cent. per annum by way of sinking fund for accumulation.

In addition, therefore, to the Irish Land Purchase Fund consisting of three distinct accounts, each of these accounts contains within itself an accumulation account to provide for the ultimate extinction of the capital liability.

It is further necessary to distinguish between advances made on the basis of a  $3\frac{1}{2}$  per cent. annuity and a  $3\frac{3}{4}$  per cent. annuity (1909 Act, Section 1 (3)).

Each of the three accounts above referred to is given in a separate column, the total of such individual accounts forming the Irish Land Purchase Fund.

The "Advances Account" now includes the transactions under the Labourers (Ireland) Act, 1906, 6 Edw. 7 cap. 37. Under section 15 of the same Act, the unexpended balance (£8,478) on the 31st March, 1906, of the amount received from the Ireland Development Grant is retained as a working balance, and is included in the balance shown on the Income Account (Advances).

In addition to the accounts of receipts and payments, the statements of securities on which the capital has been raised and the balance sheet, supplementary accounts are given showing the detail of each accumulation account, and the amounts drawn from and repaid to the Guarantee Fund.

National Debt Office.

W. C. Turpin,  
Comptroller General.



## PURCHASE FUND.

in the Year ended 31st March 1914, in respect of the CAPITAL and INCOME FUNDS, per 3 Edw. VII. c. 37, and 9 Edw. VII. c. 42.

## ANNUAL.

## PAYMENTS.

	Advances Account			Excess Stock Account			Land Purchase and Fund			Total			
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	
Balance overdrawn 31st March 1913.	186,217	5	6	—	—	—	—	—	—	186,217	5	6	
Advances to Irish Land Commission:—													
For advances on $3\frac{1}{2}$ per Cent. Annuity.	5,763,154	18	7	—	—	—	—	—	—	5,763,154	18	7	
For advances on $3\frac{1}{2}$ per Cent. Annuity.	1,430,587	0	0	—	—	—	800,828	18	—	2,231,415	18	—	
Temporary borrowings (Capital Account) repaid.	4,100,000	0	0	—	—	—	—	—	—	4,100,000	0	0	
Cash invested, viz.—													
For Sinking Fund in respect of $3\frac{1}{2}$ per Cent. Annuities:—													
In loans to Capital Account for further advances.	261,000	0	0	26,300	0	0	26,300	0	0	483,600	0	0	
In purchase of 67,850 <i>l.</i> Guaranteed $2\frac{1}{2}$ per Cent. Stock.	52,183	0	0	—	—	—	—	—	—	52,183	0	0	
In purchase of 4,150 <i>l.</i> Guaranteed $2\frac{1}{2}$ per Cent. Stock.	—	—	—	4,110	15	0	—	—	—	4,110	15	0	
For Sinking Fund in respect of $3\frac{1}{2}$ per Cent. Annuities:—													
In loans to Capital Account for further Advances.	5,000	0	0	2,000	0	0	1,700	0	0	8,700	0	0	
In purchase of 15,000 <i>l.</i> Guaranteed $5\frac{1}{2}$ per Cent. Stock.	12,280	18	9	—	—	—	—	—	—	12,280	18	9	
In purchase of 12,000 <i>l.</i> Guaranteed 3 per Cent. Stock.	—	—	—	10,634	1	—	—	—	—	10,634	1	—	
In purchase of 17,000 <i>l.</i> Guaranteed 3 per Cent. Stock.	—	—	—	—	—	—	18,963	2	6	18,963	2	6	
Temporary investments:—													
In purchase of—													
15,000 <i>l.</i> Excess of Bonds 3 per Cent. (1891).	15,300	0	0	—	—	—	—	—	—	15,300	0	0	
Balance on 31st March 1914.	—	—	—	25	12	10	8,800	8	—	24,143	12	10	
	£	10,825,738	2	10	64,304	9	1	90,443	3	—	11,785,400	12	2



## ACCOUNT.

	Advances Account			Sinking Stock Account			Land Purchase with Stock			Total			
	£	s	d	£	s	d	£	s	d	£	s	d	
Dividends and Interest on Guaranteed Stocks.	1,732,706	5	11	385,291	3	5	2,000,000	0	0	2,418,000	19	6	
Interest on Sinking Fund Securities transferred to Capital Account.	29,570	0	1	5,369	1	7	400,000	13	6	435,000	4	4	
Interest on Temporary borrowings (Capital Account).	7,638	11	8	—	—	—	—	—	—	7,638	11	8	
Interest accrued on Exchange Bonds at date of purchase.	—	12	11	—	—	—	—	—	—	—	12	11	
Recovered arrears paid to Guarantee Fund.	157,917	8	1	—	—	—	—	—	—	157,917	8	1	
Balance on 31st March 1914	113,755	8	5	—	—	—	—	—	—	113,755	8	5	
	£	2,021,600	0	11	210,660	7	0	2,150,000	0	0	2,472,260	0	0

for the Year ended 31st March 1914.

Balance of Stock on 31st March 1913.	55,072,891 14 10	6,192,698 6 6	1,100,000 0 0	55,716,982 0 0
Amount of Stock issued in respect of Advances in the year.	924,389 0 0	80,396 13 7		1,004,785 13 7
£	45,007,220 14 10	6,273,094 0 1	1,451,444 8 9	67,281,756 3 8

for the Year ended 31st March 1914.

Balance of Stock on 31st March 1913.	14,372,492	16	12	1,702,889	2	8	2,448,461	13	6	18,523,842	12	8
Amount of Stock created in the year.	4,290,312	10	0	1,209,687	10	0	1,000,000	0	0	6,500,000	0	0
Amount of Stock issued for Advances in the year.	1,208,414	0	0	—	—	—	—	—	—	1,208,414	0	0
£	14,871,219	6	11	2,912,586	12	8	3,448,461	13	6	26,232,267	12	8

the Year ended 31st March 1914.

Balance of Loans on 31st March 1913.	1,306,000	0	0	—	—	—	—	—	—	1,306,000	0	0
Amount of Loans from Sinking Fund to Capital (Advances) Account in the year.	337,100	0	0	—	—	—	—	—	—	337,100	0	0
	£	1,643,100	0	0	—	—	—	—	—	1,643,100	0	0

the Year ended 31st March 1914.

Balance of Temporary borrowings outstanding on 31st March 1913.	1,375,000	0	0	—	—	—	—	—	—	1,375,000	0	0
Amount of Temporary borrowings in the year.	3,615,000	0	0	—	—	—	—	—	—	3,615,000	0	0
	£	4,990,000	0	0	—	—	—	—	—	4,990,000	0	0

## IRISH LAND PURCHASE FUND,

## LIABILITIES

	Advances Account			Excess Stock Account			Land Purchase and Fund			Total		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Balance at per. of 31st March 1914—												
Stock remaining—												
Guaranteed 2½ per cent. Stock.	47,970	550	12 6	6,265,777	14	0	4,151,444	8	9	887,772	13	1
Guaranteed 3 per cent. Stock.	19,864,576	17	1	2,911,383	4	7	4,418,461	13	6	18,224,871	15	6
Yarns at per. of amount of 1914 from Sinking Fund reinsurance.	1,643,100	0	0	—			—			1,643,100	0	0
Temporary borrowings outstanding.	1,890,000	0	0	—			—			1,890,000	0	0
SINKING FUND ACCOUNT—												
Balance remaining on 31st March 1914—												
In respect of 3½ per cent. Annuities.	76	18	8	51	5	10	10	13	10	174	12	11
In respect of ½ per cent. Annuities.	402	18	8	203	7	0	13	8	8	605	14	1
INCOME ACCOUNT—												
Balance remaining on 31st March 1914.	113,755	3	5	—			5	8		113,755	3	1
	£ 69,471,862	5	1	£ 9,177,250	11	3	£ 7,993,960	10	5	£ 80,749,043	6	11

## SUPPLEMENTARY

## SINKING FUND ACCUMULATION ACCOUNT at 31st March 1914, in respect of 3½ PER CENT. ANNUITIES.

	Advances Account			Excess Stock Account			Land Purchase and Fund			Total		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
7000 of 14s 4d Guaranteed 2½ per cent. Stock at par.	35,485	10	1	1,601	4	3	—			37,086	14	1
Loans to Capital (Advances) Account	1,208,600	0	0	203,300	0	0	102,700	0	0	1,514,600	0	0
Cash uninvested	76	13	3	54	5	10	10	13	10	171	12	11
Nominal value of Securities held - £	1,304,162	4	1	204,955	10	1	162,710	13	10	1,671,828	7	1

## SINKING FUND ACCUMULATION ACCOUNT at 31st March 1914, in respect of 3½ PER CENT. ANNUITIES.

	Advances Account			Excess Stock Account			Land Purchase and Fund			Total		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
71,021 of 14s 4d Guaranteed 3 per cent. Stock at par.	13,014	15	7	24,534	6	3	33,688	2	9	71,236	4	7
Loans to Capital (Advances) Account	5,000	0	0	2,000	0	0	1,500	0	0	8,500	0	0
Cash uninvested	402	16	8	203	7	0	13	8	5	621	11	1
Nominal value of Securities held - £	18,417	14	3	26,739	13	3	35,196	11	5	80,353	18	11





## 1915-16 (17th) 1855-56

## REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

## Sinking Fund, &amp;c.

The amount of stock, 3 per cent., created on the 31st March 1914, including £257,000 to the Sinking Fund, £40,000 to the Irish Land Commission for the purchase of land, £100,000 to the Debt was £397,000. The balance of the Sinking Fund was £1,354,175 0 7. The balance of the Sinking Fund was £1,354,175 0 7. The balance of the Sinking Fund was £1,354,175 0 7.

The amount of stock, 5 per cent., purchased out of sinking fund balances and cancelled on the 31st March 1914 was on Advances Account £257,000. The balance of the Sinking Fund was £1,354,175 0 7. The balance of the Sinking Fund was £1,354,175 0 7.

The total amount of stock, 5 per cent., created on the 31st March 1914, including £257,000 to the Sinking Fund, £40,000 to the Irish Land Commission for the purchase of land, £100,000 to the Debt was £397,000. The balance of the Sinking Fund was £1,354,175 0 7. The balance of the Sinking Fund was £1,354,175 0 7.

The amount of stock, 5 per cent., purchased out of the sinking fund, and cancelled on the 31st March 1914 was £257,000. The balance of the Sinking Fund was £1,354,175 0 7. The balance of the Sinking Fund was £1,354,175 0 7.

## Sinking Funds.

## 2. One-half total receipts for the Sinking Funds, viz.:-

	£	s	d
3 per cent. annuity—			
to 31st March 1913	1,354,175	0	7
to the year ended 31st March 1914	281,000	8	2
	£1,635,175	8	9
5 per cent. annuity—			
to 31st March 1913	16,747	18	3
to the year ended 31st March 1914	12,856	2	4
	£29,604	0	7

A sum of £1,664,780 was on loan to the Capital account for further advances, £65,886l. 2s. 1d. was loan applied to the purchase of Guaranteed 2½ and 3 per cent. Stocks, and the balance of £1,598,894 remained uninvested.

Comptroller and Auditor General,  
29 September 1914

H. J. Gibson,  
Comptroller and Auditor General.